Article - Business Regulation

§8–407.

(a)   The procedures for notice, hearings, and judicial review that apply to proceedings under Subtitle 3 of this title also apply to proceedings to recover from the Fund.

(b)   On receipt of a claim, the Commission shall:

(1)   send a copy of the claim to the contractor alleged to be responsible for the actual loss; and

(2)   require a written response to the claim within 10 days.

(c)   (1)   The Commission:

(i)   shall review the claim and any response to it; and

(ii)   may investigate the claim.

(2)   On the basis of its review and any investigation, the Commission may:

(i)   set the matter for a hearing;

(ii)   dismiss the claim, if the claim is frivolous, legally insufficient, or made in bad faith; or

(iii)   issue a proposed order to pay all or part of the claim or deny the claim if the total claim against a particular contractor does not exceed $7,500.

(d)   (1)   The Commission shall send the proposed order to the claimant and the contractor, at the most recent address on record with the Commission, by:

(i)   personal delivery; or

(ii)   both regular mail and certified mail, return receipt requested.

(2)   Within 21 days after service, receipt, or attempted delivery of the proposed order, the claimant or contractor may submit to the Commission:

(i)   a written request for a hearing before the Commission; or

        (ii)   a written exception to the proposed order.

        (3)   If the claimant or contractor submits a timely exception to the proposed order, the Commission may:

        (i)   issue a revised proposed order;

        (ii)   set a hearing on the claim; or

        (iii)   dismiss the claim.

        (4)   Unless the claimant or contractor submits a timely request for a hearing or a timely exception, the proposed order is final.

    (e)   (1)   At a hearing on a claim, the claimant has the burden of proof.

        (2)   If a subcontractor or salesperson is necessary to adjudicate a claim fairly, the Commission shall issue a subpoena for that person to appear at the hearing.

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